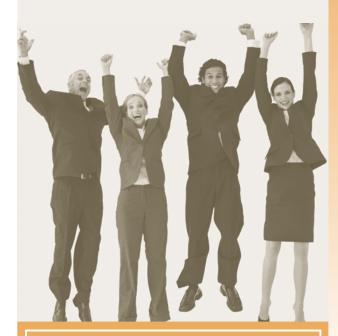
What is the Work Opportunity Tax Credit (WOTC)?

The WOTC is available to employers who hire people from specific target groups that experience barriers to employment. (See inside brochure for Target Group descriptions).

- WOTC can provide up to \$2,400 in tax relief for each qualifying hire, and up to \$9,000 for long term family assistance recipient hires.
- · Easy application process.
- Full-time, part-time, and temporary employees make your business eligible for the tax credit.
- Employers may claim a tax credit on an unlimited number of qualifying new hires.



Note: The employee must be retained a minimum of 120 hours for the employer to receive the tax credit.

Need more information?

Visit our Web Site at www.edd.ca.gov/Jobs_and_Training/Work_Opportunity_Tax_Credit.htm

or call the WOTC Center at **1-866-593-0173**



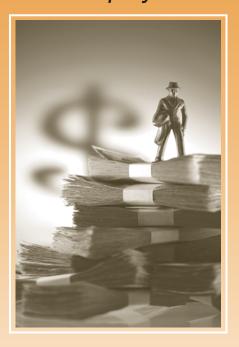
State of California

Labor and Workforce Development Agency

Employment Development Department

EDD is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabillities. Requests for services, aids, and/or alternate formats need to be made by calling 1-866-593-0173 (voice). TTY users, please call the California Relay Service at 711.

Are you taking advantage of a Federal tax credit up to \$9,000 when you hire new employees?



Find out how the Work
Opportunity Tax Credit
Program can benefit
your bottom line!





How do employers apply for the tax credit?

Employers must apply for and receive certification from the Employment Development Department (EDD) that their new hire is a member of one of the WOTC target groups before they can claim the WOTC on their federal tax return. Visit EDD's Web site at www.edd.ca.gov/Jobs_and_Training/Work_Opportunity_Tax_Credit.htm to download the necessary forms and to get more information on WOTC.

Two forms are needed to apply:

 IRS 8850 – Prescreening Notice and Certification Request for the Work Opportunity Tax Credit

This form must be completed by both the employee and the employer, with original signatures by both parties.

• ETA 9061 – Individual Characteristics Form.

This form can be completed either by the employee, or by the employer in response to the questions asked of the employee.

Note:

ETA 9062 - Conditional Certification form may be used in place of the ETA 9061. The ETA 9062 is completed by EDD or a participating agency when prescreening a client for WOTC eligibility.

How can my company qualify for the tax credit?

If the new employee fits into one of the following nine *Target Groups*, they may qualify you for the WOTC:

- **A**. Recipient of Temporary Assistance to Needy Families.
- **B.** Veteran who is receiving Food Stamps, or a Disabled Veteran with a 10% or higher rating who:
 - ▶ is hired within 1 year of their discharge date, or
 - has been unemployed 6 months or more (whether or not consecutive) during the 1 year period prior to their hire date.
- C. Ex-Felon must be hired no later than one year after conviction or release from prison for a felony.
- D. Designated Community Resident – age18-39 year old resident of an Empowerment Zone (EZ), Renewal Community (RC) or Rural Renewal County (RRC).
- E. Vocational Rehabilitation referral.
- **F.** 16-17 year old resident of an EZ, EC, or RRC, hired as a summer youth employee.
- **G**. 18-39 year old food stamp recipient.
- **H**. Supplemental Security Income recipient.
- I. Long-term family assistance recipient.

Timeliness!

To apply for certification, employers must mail the two forms to the:

WOTC Center 2901 50th Street Sacramento, CA 95817-2399

NO LATER THAN THE 28TH DAY after the new hire's first day of work

Employers can download these forms, along with an Employer Guide at www.edd.ca.gov/Jobs and Training/ Work Opportunity Tax Credit.htm

Questions?

1-866-593-0173

